IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF ALABAMA SOUTHERN DIVISION

ATLANTIC CASUALTY INSURANCE COMPANY,

Plaintiff,

v.

Civil Action File No. 1:07CV196-MEF

K&F INDUSTRIAL CONTRACTORS, INC. and SCHUFF STEEL-ATLANTIC, INC. f/k/a ADDISON STEEL, INC.,

Defendants.

ANSWER

In response to the Complaint filed in this matter by Plaintiff Atlantic Casualty Insurance Company ("Atlantic Casualty"), Defendant K&F Industrial Contractors, Inc., (K&F) states as follows:

FIRST AFFIRMATIVE DEFENSE

The claims and defenses asserted by the Plaintiff are barred by the doctrine of waiver.

SECOND AFFIRMATIVE DEFENSE

The claims and defenses asserted by the Plaintiff are barred by the doctrine of estoppel.

ANSWER

1.

Paragraph 1 of the Complaint is admitted.

2.

Defendant is without information sufficient to form a belief as to the truth of the allegations of Paragraph 2 of the Complaint; therefore, those allegations are denied.

3.

Defendant is without information sufficient to form a belief as to the truth of the allegations of Paragraph 3 of the Complaint; therefore, those allegations are denied.

4.

Paragraph 4 of the Complaint is admitted.

5.

Paragraph 5 of the Complaint is admitted.

6.

Paragraph 6 of the Complaint is admitted.

7.

Defendant is without information sufficient to form a belief as to the truth of the allegations of Paragraph 7 of the Complaint; therefore, those allegations are denied.

8.

Paragraph 8 of the Complaint is admitted.

9.

Paragraph 9 of the Complaint is admitted.

10.

Paragraph 10 of the Complaint is denied.

11.

Paragraph 11 of the Complaint is denied.

12.

Paragraph 12 of the Complaint is denied.

13.

Paragraph 13 of the Complaint is admitted.

14.

In response to the allegations contained in Paragraph 14 of the Complaint, Defendant admits that Capital Construction Company alleged in its Complaint that Addison Steel failed to adequately perform its subcontract obligations for certain work at the Project. Defendant denies that these were the only allegations against the Defendant in the Capital Construction Company action.

15.

Paragraph 15 of the Complaint is admitted.

16.

Paragraph 16 of the Complaint is denied.

17.

Paragraph 17 of the Complaint is admitted.

18.

Paragraph 18 of the Complaint is admitted.

19.

Paragraph 19 of the Complaint is admitted.

20.

Defendant is without information sufficient to form a belief as to the truth of the allegations of Paragraph 20 of the Complaint; therefore, those allegations are denied.

21.

Defendant incorporates herein by reference its prior responses to Paragraphs 1 through 20 of the Plaintiff's Complaint.

22.

Paragraph 22 of the Complaint is denied.

23.

Paragraph 23 of the Complaint is denied.

24.

Paragraph 24 of the Complaint is denied.

25.

Paragraph 25 of the Complaint is denied.

26.

To the extent the allegations in Paragraph 26 call for a response, those allegations are denied.

27.

To the extent not expressly admitted herein, any remaining allegations of the Complaint are denied.

WHEREFORE, having fully answered the Complaint, Defendant K&F prays that the Plaintiff's Complaint be dismissed, that all costs of this action be taxed against the Plaintiff, and for such other and further relief as the Court deems just and proper.

MOTLEY, MOTLEY & YARBROUGH, LLC

s/ Derek E. Yarbrough

Derek E. Yarbrough ASB 6664-R63D Attorney for K&F Ind. Contractors, Inc. 117 East Main Street Dothan, Alabama 36301 334-793-51 Facsimile 793-9845 motley@graceba.net

CERTIFICATE OF SERVICE

I hereby certify that on April 30, 2007, an Answer to the original complaint was filed on behalf K&F Industrial Contractors, Inc., with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the following:

Jack Owen, Esq. C. Winston Sheehan, Jr., Esq. Ball, Ball, Matthews & Novak, PA 2000 Interstate Park Drive, #204 Montgomery, Alabama 36109-2148 Paul W. Burke, Esq. Drew, Eckl & Farnham, LLP 880 West Peachtree Street Post Office Box 7600 Atlanta, Georgia 30357-0600

Thomas E. Borton, IV, Esq. Frank E. Riggs, Jr. Troutman Sanders LLP Counsel for Defendant Schuff Steel-Atlantic, Inc., f/k/a Addison Steel, Inc. 5200 Bank of America Plaza 600 Peachtree Street, NE Atlanta, GA 30308-2216

and a copy has been mailed by United States Postal Service to the following non-CM/ECF participants: NONE

s/ Derek E. Yarbrough

Derek E. Yarbrough ASB 6664-R63D Attorney for Defendant K&F Ind. Con., Inc. 117 East Main Street Dothan, Alabama 36301 334-793-0051 Facsimile 793-9845 motley@graceba.net

033891.1.1791383.1